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ABSTRACT

Looking back over the past 40 years, one can observe at least seven trends in public policy substance and in the study of public policy: (1) There is a trend toward higher goals for society in economic, social, political, and science policy. (2) Major changes in almost all fields of public policy have resulted in increased benefits for the less privileged groups. (3) There is a trend toward the use of positive incentives like subsidies, tax breaks, and low-interest loans for encouraging socially desired behavior. (4) There is a trend toward more policy-making on the part of the national government relative to the states and cities and on the part of the executive branch relative to the legislative and judicial. (5) There is a trend toward a more pragmatic, mixed approach in dividing responsibility between the public and private sectors for public functions. (6) There is a trend toward evaluation methods which emphasize multi-criteria decision-making and spreadsheet analysis. (7) There has been a substantial growth and now a plateauing out at a high level of activity with regard to policy evaluation training programs, research centers, funding sources, scholarly associations, and other policy evaluation institutions. Examples are given of super-optimum solutions regarding economic, social, technological, political, and legal policy problems, i.e., solutions that do better than either the liberal or conservative alternatives. Nine tables chart these and related trends. (Author/JB)

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PROJECTING TRENDS IN PUBLIC POLICY

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Abstract of

PROJECTING TRENDS IN PUBLIC POLICY

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Looking back over the last 40 years from 1950 to 1990, one can observe at least seven trends in public policy substance and in the study of public policy:

I. GOALS TO BE ACHIEVED

1. Higher Goals for PUblic Policy

There is a trend toward higher goals for society in economic, social, political, and science policy. This can be seen in the re-defining of concepts like poverty, equality, fair procedure, free speech, good government, adequate education, adequate health, and a clean environment. (See Table 6)

2. Achieving Both Liberal and Conservative Goals

There have been major changes in almost all fields of public policy. Those changes have resulted in increased benefits for the less privileged groups in society, but also increased benefits simultaneously for the more privileged groups. In the field of labor policy and consumer policy, for example, there are now more rights to workers and consumers, but those rights have provided a stimulus to labor-saving technology and a stimulus to generating better products. Those effects have promoted greater productivity, sales, and profits. (See Table 1)

II. MEANS FOR ACHIEVING POLICY GOALS

3. More Use of Positive Incentives

There is a trend toward the use of positive incentives like subsidies, tax breaks, and low-interest loans for encouraging socially desired behavior. This can be contrasted with an emphasis on negative incentives associated with jail, fines, and injunctions. (See Table 4)

4. More Sources of Ideas among Government Levels and Branches

There is a trend toward more policy-making on the part of the national government relative to the states and cities, and more policy-making on the part of the executive branch relative to the legislative and judicial. One should, however, note that policy-making is increasing among all levels and branches as governments are given more responsibility to deal with various social problems. (See Table 3)

5. More Pragmatic Relation between the Public and Private Sectors

There is a trend toward a more pragmatic, mixed approach in dividing responsibility between the public and private sectors for public functions. This can be contrasted with a more ideological approach that allocates between the public and private sectors by determining what would be capitalistic or socialistic. (See Table 2)

III. METHODS FOR ANALYZING ALTERNATIVE PUBLIC POLICIES

6. There is a trend toward evaluation methods which emphasize multi-criteria decision-making and spreadsheet analysis. This can be contrasted with an emphasis on single objective functions, decision trees, regression analysis, and linear programming. (See Table 5)

IV. INSTITUTIONS FOR CONDUCTING AND COMMUNICATING PUBLIC POLICY ANALYSIS

7. There has been a substantial growth and now a plateauing out at a high level of activity with regard to policy evaluation training programs, research centers, funding sources, publishing outlets, scholarly associations, and other policy evaluation institutions. (See Table 7)

V. SOME OVERALL TRENDS

8. The post-1985 time period can be characterized as one in which (1) there are higher goals for public policy including the goal of satisfying both liberals and conservatives, (2) there are more positive incentives, more sources of ideas among government levels and branches, and more pragmatic relations between the public and private sectors, and (3) there is a trend toward multi-criteria decision-making

and spreadsheet analysis. (See Table 8)

VI. SUPER-OPTIMUM SOLUTIONS

9. A super-optimum solution in a public controversy is a policy or combination of policies that simultaneously does better than the conservative alternative using the conservative goals and weights, and does better than the liberal alternative using the liberal goals and weights. One purpose of this project is to provide examples of super-optimum solutions regarding economic, social, technological, political, and legal policy problems and individual dispute resolutions. A higher purpose is to generate from those examples as to how super-optimum solutions can be facilitated. (See Table 9).

10. Super-optimum solutions can be arrived at by such methods as (1) redefining goals to be higher than what is traditionally considered the best, but still realistic, (2) finding items that will provide large benefits to one side but only small costs to the other side, (3) arranging for an outside benefactor such as a government agency that will offer substantial benefits to both sides in order to facilitate a super-optimum settlement, (4) developing a package of items some of which achieve relatively liberal goals and some of which achieve relatively conservative goals, (5) combining the conservative and liberal alternatives where they are not mutually exclusive, and (6) removing the source of the conflict, rather than trying to synthesize the liberal and conservative alternatives. Other facilitators relate to the use of decision-aiding software, the role of mediators, the stimulation of creativity, and the importance of realistic positive thinking. The project will also analyze problems in implementing, as well as generating super-optimum solutions.

PROJECTING TRENDS IN PUBLIC POLICY

The purpose of this article is to discuss recent trends in about four different fields of public policy and ideas that cut across those trends.

The fields of public policy consist of:

1. Economic issues including unemployment-inflation, consumer-business relations, agriculture, and labor policy.
2. Social issues including poverty, discrimination, and criminal justice.
3. Urban-regional planning and science policy including environmental protection, housing-land use, energy policy, and health policy.
4. Political issues including freedom of communication and international peace.

The cross-cutting issues consist of:

1. The division of labor between the public and private sectors on these issues.
2. The division of labor between branches and levels of government.
3. The use of incentives to encourage socially desired behavior.
4. The application of meaningful evaluative methods to these issues.
5. Deciding on the goals to be achieved, especially at a high level of generality that cuts across these issues.

I. THE FIELDS OF PUBLIC POLICY

This section of the paper is concerned with describing some of the major changes which have occurred in the main fields of public policy since 1900. Those changes have generally occurred during three time periods. The first period was the era of Woodrow Wilson, partly continuing the public policy program of Theodore Roosevelt. The second period was the era of Franklin Delano Roosevelt, partly continued by Harry Truman. The third time period was the 1960s during the presidencies of John F. Kennedy and Lyndon Johnson. The intermediate time periods tended to legitimize the policy changes which had occurred during the 1910s, 1930s, and 1960s. Thus, the subsequent non-repeal of (1) the Wilson legislation later in the 1920s, (2) the FDR legislation later in the 1950s, and (3) the Kennedy-Johnson legislation later in the 1980s has served to make those changes less controversial and

more accepted.

Another way of thinking in terms of cycles in policy change is by periods that promote greater equality or sharing of productivity advances, as contrasted to periods that concentrate on technological improvements for increasing national productivity. Thus the 1910s, 1930s, and 1960s were periods emphasizing more rights to consumers, workers, minorities, and other non-dominant groups. The 1920s, 1950s, and 1980s were periods with a relative emphasis on economic growth, rather than equalizing of previous gains.

In discussing each specific policy field, one can ask what happened in that field in the 1910s, 1930s, and 1960s in order to see better how things have changed, although important changes may have also occurred in the intermediate periods. Some subject matters have been undergoing substantial change as early as the 1910s or 1930s, such as consumer and labor matters. Others have not shown much activity until the 1960s or later, such a poverty-discrimination and environment-energy.

A. ECONOMIC ISSUES (Especially Unemployment-Inflation, Consumers, and Labor)

On unemployment, inflation, and regulating the business cycle, the big contribution of the 1910s was the establishment of the Federal Reserve System. That system allows for stimulating the economy to reduce unemployment by lowering interest rates and by lowering the cash requirements banks need to keep on reserve. The opposite is to be done in time of inflation to dampen the economy. It is interesting to note that this kind of monetary policy which had been a radical proposal in the Wilson administration is now conservative economics, especially associated with Milton Friedman.

The contribution of the 1930s was the explicit establishment of Keynesian economic policy. It involves stimulating the economy to reduce unemployment by decreasing taxes and increasing government spending. The opposite is to be done in time of inflation to dampen the economy. Keynesian economics largely replaced Federal Reserve monetary policy for dealing with the depression because no matter how low the interest rates are and how much lending money is available, business firms are unwilling to borrow to expand their plants if they are currently operating at

substantially less than 100% of capacity.

The contribution of the 1960s and later to the handling of unemployment and inflation is the increasing adoption of a more focused incentives approach. Keynesian policy did not work well for dealing with inflation of the 1960s or later because it is politically unfeasible to sufficiently increase taxes and decrease government spending. Worse is the fact that in the 1970s, we were faced with increased unemployment and increased inflation simultaneously due to the ability of businesses and unions to keep prices and wages high even though demand had fallen off. Monetary and Keynesian approaches advocate stimulating the economy to deal with unemployment and dampening the economy to deal with inflation, but both cannot be done simultaneously.

The more contemporary Reagan and Carter administrations increasingly looked toward using a system of incentives to stimulate potential employers to hire the unemployed, and to stimulate unemployed people to obtain jobs and training. The incentives system can also help stimulate new technology and increased income, thereby expanding the need to hire people. The incentives system can also be used to reduce inflation. In that regard, tax breaks can be given to business firms and labor unions for not raising prices or wages. This has been discussed in the economic policy literature, but not yet implemented. The inflation of the early 1980s was mainly dealt with by raising interest rates, but that may be too costly an approach in terms of hurting economic growth.

Prior to about 1910, consumer-business relations in the United States were controlled almost completely by the marketplace and a pro-business legal system. As of the Woodrow Wilson years, the Clayton Anti-Trust Act was passed. It was slightly more consumer-oriented than the previous Sherman Anti-Trust Act, which emphasized protecting business firms from monopolies, although business firms are important consumers from other businesses. More important was the establishment of the Federal Trade Commission and the Pure Food and Drug Administration which had a definite consumer orientation. In the field of common law, Justice Cardozo

of the New York Court of Appeals established the principle that consumers could sue manufacturers for defective products even if the consumer had not dealt directly with the manufacturer, and even if the consumer could not prove the manufacturer was negligently responsible for the defect except by circumstantial evidence. That was the beginning of effective products liability litigation. Consumer rights were strengthened in the 1960s as a result of Congressional legislation establishing the Products Safety Commission. The common law courts also established the idea that a consumer contract could be too unconscionable to be enforced, and that consumers must be given minimum due process before they can be subjected to product repossession or a lien on their wages or property.

Prior to about 1910, labor-management relations in the United States were controlled almost completely by the marketplace and a pro-management legal system. Some gains were made during World War I in essential industries like railway labor where strikes could be highly effective. The really important legislation, though, did not come until the 1930s partly because the Supreme Court found wage, hour, and child labor legislation to be unconstitutional. The key 1930s legislation was the National Labor Relations Act. It allowed workers to petition for a secret ballot election to determine whether they wanted to be represented by a union, and it prohibited management from firing workers simply because they wanted to join a union. Also highly important was the Fair Labor Standards Act which provided for minimum wages, overtime pay, and a prohibition on child labor. There have been amendments to the NLRA in subsequent years, but the extremely emotional and sometimes lethal battles between labor and management in the 1930s are now relatively non-controversial.

B. SOCIAL ISSUES (Especially Poverty, Discrimination, and Crime)

In the development of public policy, the have-not groups who have relatively greater power are more likely to achieve their policy goals first. Thus, the consumers succeeded in obtaining important legislation and judicial precedents in the 1910s. Most people considered themselves consumers. Labor succeeded in ob-

taining important policy changes in the 1930s. Labor has less political influence than consumers collectively do. It was not until the 1960s, however, that poor people and race-sex minorities succeeded in obtaining important policy changes since they have the least power of those three sets of interest groups.

The war on poverty was an important policy activity of the 1960s. Perhaps its greatest gains were in the form of judicial precedents which held (1) welfare recipients were entitled to at least minimum due process and non-arbitrary classification before they could be terminated, (2) indigent defendants were entitled to court-appointed counsel in felony and misdemeanor cases, (3) delinquents, illegitimate children, and neglected children were entitled to hearings with at least minimum due process and no arbitrary denial of equal protection, and (4) tenants could withhold rent if landlords failed to satisfy minimum implied warranties of habitability. Also important was the beginning of work incentive programs which provided for (1) being allowed to keep a portion of one's earning without losing welfare benefits, (2) being provided with day-care facilities so that mothers of pre-school children could work, and (3) being provided with meaningful training. Also important was legislation for rent supplements to rent economic housing in the marketplace, and for food stamps to buy food in the marketplace rather than rely on federal commodities or food handouts. The Reagan administration has added an increased emphasis on the importance of economic prosperity and growth for dealing with poverty, as contrasted to specific anti-poverty programs, and also the importance of incentives to business to provide on-the-job training and to hire welfare recipients.

In the realm of race discrimination, the gains have been mainly at the Supreme Court and congressional levels during the 1960s in such areas as (1) voting rights, by abolishing the poll tax and racial malapportionment, (2) criminal justice, by abolishing discrimination in becoming a juror, lawyer, or a judge, (3) education, by prohibiting legally required segregation and providing federal aid to education which stimulates compliance with desegregation guidelines, (4) housing, by prohibiting

race and sex discrimination in job activities. Any judicial precedent or legislation which benefits the poor is likely to benefit blacks, and vice versa, given the correlation between those two policy fields.

On the matter of criminal justice, the early 1900s first saw the Supreme Court say that something in the Bill of Rights was applicable to the states starting with the principle against double jeopardy. In the 1930s, right to counsel was established but only for capital and serious felony cases. The 1960s saw the important right to counsel extended to misdemeanor cases, pre-trial interrogation, and post-trial appeal. The 60s also saw the establishment of the rule excluding illegally seized evidence on a nationwide basis. That was also a time for bail reform which involved more releasing of defendants prior to trial accompanied by screening, periodic reporting, notification, and prosecution for skipping out. There were also increased experiments and concern for reducing delay in the criminal and civil justice process. The Supreme Court established minimum rights for people on parole, probation, or in prison.

C. SCIENCE POLICY (Especially Environment and Health)

The end of the 60s saw an increased concern for two sets of policy problems which had not previously been salient. The first was environmental protection. Prior to about 1970, people tended to think of air, water, and landfills as virtually unlimited goods, unless they lived in an area where there was a water shortage. As of about 1970, people became much more concerned with the public health aspects of air pollution, water pollution, and solid waste disposal. Federal legislation was passed providing for standard setting, permits, inspections, hearing procedures, and other rules designed to protect the environment. Along related lines, prior to 1970, energy was also thought of as an almost unlimited inexpensive product. Since 1975, however, there has been increased legislation designed to stimulate energy conservation and regulate new forms of energy production such as nuclear energy.

Prior to the 1960s, health policy was largely left to the marketplace and pri-

vate charity. Probably the first big breakthrough with regard to government responsibility was the establishment of Medicare for the aged and Medicaid for the poor. Such programs might have been established sooner, but they required mustering sufficient public support to overcome the power of the American Medical Association. As the elderly have increased in absolute and percentage terms, increased pressure has been placed on Medicare funds. The idea of federal funding is now well-accepted, and even the Reagan Administration is proposing federally funded catastrophic health insurance. Some day there may be government salaried doctors for Medicaid and Medicare patients, as there are government salaried lawyers under the Legal Services Corporation. Doing so is substantially less expensive to the taxpayer than reimbursing the private health care providers.

D. POLITICAL POLICY (Especially Free Speech, World Peace, and Government Reform)

The previous issues tend to have a chronological relation in the order of consumer, labor, poverty-discrimination, and environment-elderly. The political issues tend to be a more constant concern like the economic issue of unemployment-inflation. One can argue that free speech is the most important public policy issue because all the other policy problems would be poorly handled if there were no free speech to communicate the existence and possible remedies for the other problems. Free speech, however, was not recognized as a national right in the sense of being applicable to the states by way of the first and the fourteenth amendment until the 1930s. At that time, the Supreme Court first declared the states had an obligation to respect first amendment free speech. The early cases though involved blatant forms of government censorship and suppression of ideas, including criticism of mayors of Minneapolis and Jersey City. In the 1960s, the Supreme Court declared unconstitutional less severe non-political activities such as (1) restrictions on most pornography, (2) allowing ordinary libel suites by public figures instead of requiring intentional libel or gross negligence, and (3) restrictions on commercial speech such as lawyer advertising.

On the matter of world peace, the same time periods of expansion in public

policy were also time periods when the United States became involved in World War I in the 1910s, World War II in the late 1930s, and the Vietnam War in the 1960s. Part of the explanation might be that the liberal Democrats of the 1910s and the 1930s were more prone to go to war with the reactionary governments of Kaiser Wilhelm, Adolf Hitler, and Hideki Tojo. In the 1960s, the liberal Democrats may have been trying to avoid appearing to be soft on communism more than the Republicans would have to be, which could have been a factor leading to the Vietnam War. More important in terms of current trends is the fact that there has been no international war comparable to World War I or II in the second half of the twentieth century, and the likelihood of such a war may be decreasing as a result of recent changes in the Soviet Union and agreements between the USSR and the USA. That trend could be very desirable in terms of making funds available for economic growth which would otherwise be wasted on armament.

The third subfield under political policy is government reform. It can be subdivided into legislative, judicial, and administrative reform. Government reform refers to changes in the structures and procedures of those institutions so as to make them more effective in achieving their purposes and more efficient in doing so with less time and expense. Effective and efficient functioning of government structures affects all public policies. During the twentieth century in the United States, there have been significant changes in all three sets of institutions.

At the congressional and state legislative level, the reforms include (1) redrawing legislative districts so as to provide for equal population per district, (2) the lessening of the filibuster whereby a minority bloc of the U.S. Senate could prevent a bill from coming to a vote, (3) an overemphasis on the power of seniority in choosing committee chairs as contrasted to merit or a vote by the committee members, (4) less power to the house speaker and committee chairs to make binding agenda decisions, (5) more voting rights for women, blacks, poor people, and young people, (6) more technical competence available through legislative staffs, and (7) more open disclosure

of activities of interest groups and income of legislators. An especially important reform for the future that relates to legislative representation is the idea of expanding representation and participation to provide for voter registration by way of being on the census, and vote-casting at any polling place in the country on election day.

At the judicial level or branch, the reforms include (1) free counsel for the poor in criminal and civil cases, (2) encouraging out-of-court settlements through pre-trial procedures, (3) shifting cases away from the courts to administrative agencies, (4) the computerizing of court records for increased efficiency, (5) encouraging alternative dispute resolution through ad hoc arbitration, (6) clearer guidelines for more objective sentencing and the determination of damages, and (7) higher standards for admission to the bar and the bench with more emphasis on professional responsibility. An important reform for the future that relates to the judicial process is the idea of selecting judges on the basis of having been specially trained and tested for the bench in law school like high-level civil servants, rather than through a system of political appointment or election.

At the administrative level or branch, the reforms include (1) more emphasis on hiring on the basis of merit, rather than political considerations, (2) more performance measurement and evaluation of government programs, (3) more professional training, especially in schools of public affairs and administration, (4) a lessening of elected department heads in state government, so as to have better coordinated control in the hands of state governors, (5) more use of professional city managers to supplement mayors at the municipal level, (6) improved grievance procedures, collective bargaining, and working conditions, (7) the development of the field of administrative law for clarifying due process in administrative adjudications, rule making, and judicial review, (8) better coordination of administrative agencies across different levels of government, and (9) more freedom of information for the public to be able to obtain access to administrative records.

E. MUTUALLY BENEFICIAL RESULTS

Table 1 summarizes some of the trends in specific policy fields. The overall

TABLE 1. SOME TRENDS IN SPECIFIC POLICY FIELDS

POLICY FIELDS	BENEFITS FOR THE HAVE NOTS	BENEFITS FOR THE HAVES OR ALL
ECONOMIC POLICY		
Labor	Better wages, hours, working conditions. No child labor. Less discrimination.	Stimulus to labor-saving technology. Happier and more productive workers.
Consumer	More rights concerning product liability.	Stimulus to providing better products & greater sales.
POLITICAL-LEGAL POLICY		
Free Speech	More rights in politics, art, and commerce	Stimulus to creativity.
Due process & criminal justice	More rights to counsel, notice, hearings.	More respect for the law.
Equal treatment	More rights to blacks, women, & the poor on voting, criminal justice, schools, employment, housing, & consumer.	More equality of opportunity and allocation on the basis of merit.
Government reform	Less corruption, intimidation, & incompetence.	More effectiveness & efficiency.
World peace & trade	Increased standards of living for developing countries.	Uplifted countries become good trading partners.
SOCIAL POLICY		
Poverty	More rights as employees, consumers, tenants, welfare recipients, & family members.	The same rights apply to middle-class employees, consumers, tenants, & family members.
Education	More access to more education.	More efficient economy from better training. Less welfare.
SCIENCE POLICY		
Environment	More rights to cleaner air, water, solid waste, noise, radiation, and conservation.	The same rights are important to all people.
Health	More access to medical help.	That includes catastrophic help from which even the rich benefit.

idea is that there have been increased benefits for people who had few rights as of the base years of 1910, 1930, or 1950. These people have been the immediate beneficiaries of the policy changes. It is, however, unduly narrow to limit the analysis to those immediate effects. The longer-term and broader effects have generally been to benefit the dominant groups as well, or the total society.

This is shown, for example, on the top row. Labor has benefitted from better wages, shorter hours, better working conditions, the ending of child labor, and the lessening of race and sex discrimination. Also highly important is the stimulus those labor policies have had on encouraging the development and adoption of labor-saving technology. The United States as of 1980 might still be using slave labor or cheap immigrant labor and be a backward low-technology country if it had not been for the successful efforts of labor unions and working class people to increase the cost of their labor. A third-level result is that the labor-saving technology has made labor more productive and more skilled. This has the effect of increasing wages still further, thereby stimulating greater consumption and the creation of new jobs, especially in service fields.

Likewise, one can go through each of the 11 policy fields and see that the initial policy changes have tended in a direction of increasing the rights of the have not's. Those increases have in turn stimulated benefits for the total society, regardless whether one is talking about consumer rights, free speech, criminal justice, equal treatment, government reform, world peace-trade, poverty, education, environment, or health.

II. THE DIVISION OF LABOR BETWEEN THE PUBLIC AND PRIVATE SECTORS

A: THE GENERAL PUBLIC-PRIVATE CONTROVERSY

The long-term trends are toward defining more activities as worthy of public involvement, including government involvement. Explanations for those long-term trends include (1) growth of big business, accompanied by the loss of face-to-face consumer-manufacturer relations and sometimes the growth of monopoly power, (2) growth of big labor and other pressure groups promoting government activities, (3) increasing severity of war and defense needs, (4) increasing severity and com-

plexity of large-scale unemployment, inflation, and international trade problems, and (5) urbanization and the resulting loss of self-sufficiency, including the loss of the extended family caring for a variety of relatives.

The form of government involvement has been changing in recent years away from regulation and the threat of punishment for wrongdoing toward more use of incentives to encourage rightdoing such as subsidies, tax breaks, and low interest loans. There is also a trend toward more contracting out of government activities and the use of market supplements or vouchers, as contrasted to the activities being provided for by government employees. There is still a trend toward an overall increase in the percentage of the labor force that is employed by government and the percentage of the gross national income that is paid by government.

As for trends among the levels of government, there is a trend toward the national government having an increasing percentage of the total government labor force and government revenues. When it comes to government ownership, however, there may be a trend toward more municipalization. This manifests itself in the public power field where in the 1930's the cry was for nationalization of the power industry. In the 1980's, there is more talk about cities operating their own power companies, partly because new technologies make that more feasible. There is also increased talk about having competing power companies. Thus, this area, like so many others, illustrates the state of flux of the public-private controversy.

An especially important and interesting trend is the fact that government involvement and privatization are increasing simultaneously. Government involvement in the economy and the general society is increasing for reasons mentioned above. Privatization is increasing because the government is finding that some of its increased activities can be more effectively, efficiently, and possibly equitably handled by contracting to the private sector. Thus, indicators of government involvement are increasing, such as government employment and tax revenues-expenditures. At the same time, there is more government contracting even

for activities that have traditionally been solely government activities, such as the operating of prisons. In recent years, more government personnel and money has gone into federal, state, and local prisons as a result of baby boom crimes, court orders requiring improved prison conditions, and determinate sentencing which requires fixed terms that are higher than previous average sentences. At the same time, a number of states are contracting with private firms for the operation of prisons and various forms of community-based corrections.

B. THE SOCIALISM-CAPITALISM CONTROVERSY

The public-private controversy should be distinguished from the socialism-capitalism controversy.

1. One distinction is that the public-private controversy covers all public functions, whereas the socialism-capitalism controversy is mainly concerned with the major means of production and distribution. Thus, the public-private controversy might refer to the contracting of watchman services by a government agency which now uses government employees, or the takeover of garbage collection services by a city that has now become too large for private scavengers. The socialism-capitalism controversy is more likely to argue over whether a government should take over the steel mills or the coal mines from the private sector or return them to the private sector.
2. Another distinction is that the public-private controversy tends to be more pragmatic in looking to the individual circumstances of the activity that is proposed for takeover or privatization. The socialism-capitalism controversy tends to react more on ideological grounds and to favor taking over virtually everything from a socialistic perspective, or to favor privatizing virtually everything from a capitalistic perspective.
3. A further distinction relates to the criteria for choosing among the alternatives. The public-private alternatives tend to be decided by talking in terms of effectiveness, efficiency, equity, public participation, predictability, procedural

due process, and feasibility. The socialism-capitalism alternatives tend to be decided by talking in terms of which alternative will achieve more gross national product, freedom, popular control, opportunity, security, and initiative, as is done in the classic and contemporary literature debating those alternatives.

4. The public-private controversy tends to accept a positive role for the government, especially with regard to funding various activities. The controversy is not over government involvement versus no involvement, but more over the form that government involvement should take. That often means talking in terms of subsidies, liability rules, regulation, contracting, but not necessarily ownership. On the other hand, public versus private ownership is the key concept in the socialism-capitalism controversy, or at least has been in the past.

On the matter of trends concerning the distinctions between these two controversies, the trend is toward blurring the distinctions as indicated by the following:

1. Socialists in government have become more concerned with routine governmental matters than they were when they were out of government writing Communist Manifestos about taking over the major means of production and distribution.
2. Socialists have become more pragmatic and less ideological, as indicated by the party platforms of the German Social Democrats, the British Labor Party, and both the Soviet and Chinese Communist parties.
3. Socialists are increasingly using concepts like effectiveness, efficiency, and equity, which are associated with public policy evaluation. Systematic program evaluation is increasingly occurring in both socialistic and capitalistic countries.
4. Ownership is lessening in importance in socialistic thinking. This is indicated by the recognition that ownership of the steel mills in Poland and elsewhere in Eastern Europe has possibly not been as oriented toward the interests of workers and consumers as private ownership of the steel mills in West Germany, Japan, and elsewhere in the western world. Who controls (and for what interest) may be more important that who owns the title to the property.[2]

C. MORE PRAGMATISM, LESS IDEOLOGY

Table 2 summarizes some of the trends concerning various public-private sector activities. The overall idea is that we are moving away from the more extreme activities toward more pragmatic intermediate approaches. That can be seen at both ends of the five-point continuum. The pure marketplace as an approach for dealing with public policy matters has greatly lessened. If one looks at the 11 policy fields in Table 1, none of them are being handled from a pure marketplace perspective, even though the marketplace was substantially more important a generation or two ago. Thus there is more government regulation, litigation, and use of subsidies and tax breaks in all 11 fields.

For example, the top row concerning labor was almost completely a marketplace matter until the 1930s. The Supreme Court had held that minimum wage laws were unconstitutional and also maximum hour laws and child labor laws. There were no laws yet for the Supreme Court to hold unconstitutional regarding race or sex discrimination. The year 1938 brought the Fair Labor Standards Act governing wages, hours, and child labor. The year 1964 brought the Civil Rights Act which contained prohibitions against race and sex discrimination. The year 1980 brought the Reagan administration with its Enterprise Zones designed to provide subsidies and tax breaks for business firms that reduce unemployment in the inner city.

At the opposite end of the continuum, one should note the reduced advocacy of government ownership even by those associated with socialist politics. The Socialist Party of Eugene Debs in the early 1900s and of Norman Thomas in the 1930s received many votes when advocating government ownership and operation of the basic means of production and distribution in America. Many people say that the Democratic Party destroyed the Socialist Party by adopting socialist ideas concerning social security and labor legislation, but the Democratic Party never pushed the idea of government ownership with the possible exception of the Tennessee Valley Authority. That lessening of advocacy of government ownership is not peculiar to the United States. The

TABLE 2. TRENDS IN PUBLIC-PRIVATE SECTOR ACTIVITIES

ACTIVITIES	TRENDS	ADVANTAGES
Pure marketplace	Decreasing except where competition benefits consumers or where government contracts out government functions.	Good for prices, quality, & safety where competition present.
Subsidies & tax breaks	Increasing to encourage socially desired behavior.	Good where politically feasible & where discretion is allowable.
Litigation	Increasing as injured persons acquire more rights & relations become more anonymous.	Good for compensating injured persons, especially if on a no-fault basis.
Government regulation	Plateauing after previous increases.	
Government ownership	Decreasing in advocacy.	Good for activities that private enterprise does not want to conduct.

idea has substantially decreased in the program of the British Labor Party, the German Social Democrats, and the French Socialists. It has lessened in various aspects of agriculture and retail sales within eastern Europe and China. Even traditional government functions are now sometimes being contracted out to private enterprise, such as the operating of some prisons, although the government retains control and responsibility.

III. THE DIVISION OF LABOR AMONG GOVERNMENT STRUCTURES

Here we are primarily concerned with how the division of labor among government structures facilitates or hinders the development of solutions to the ideas for dealing with the public policy issues. American government structures both facilitate and hinder such developments.

A. FEDERALISM

Federalism facilitates the development of public policy ideas in various ways. One way is by providing a testing ground for trying out new ideas. Good examples include the contrived experiments of the 1970's, including the housing experiments conducted by the Department of Housing and Urban Development. In one such experiment, HUD arranged for rent supplements for the poor in a number of communities. In some of the communities, landlords were informed as to what maximum would be tolerated by HUD in order to protect poor people and the taxpayers from being overcharged. In other communities, landlords were not informed as to what maximum would be tolerated. In accordance with true experimentation, the communities were randomly allocated to each of these two alternative policies. It was interestingly found that the communities which in effect had rent control standards tended to charge higher rents under the rent supplement program than communities with no rent control standards. The explanation was that the landlords interpreted the standards as allowing or even encouraging them to raise their rents to the maximum without risking any loss of rent-supplement tenants. In the other communities, landlords were reluctant to raise their rents for fear they would lose tenants who reliably paid the rent as a result of the rent supplements and who tended to take reasonably good

care of the property as a result of the selection criteria for determining who gets rent supplements. Other examples include the attempts by the Law Enforcement Assistance Administration to fund special pre-trial release projects in various communities and then to make comparisons across communities with different types of projects or with no projects at all. One could point out that federalism is not essential for

such inter-place experiments since unitary governments also have diverse cities that can be the basis of such experiments. A federal form of government, however, does encourage diversity and an experimental tradition across both states and cities more so than a unitary government is likely to do.

Federalism provides multiple policy-formation places for generating new ideas. In the American context, that means 50 state governors and 50 state legislatures. They are more likely to generate new innovation concerning public policy than if they were just employees in 50 field offices of a national government department. The semi-autonomy of the 50 states generates independence which leads to innovation. Innovation in turn leads to increased productivity, although only a small portion of innovative ideas may be productivity successes. Examples include new technological and management science developments in dealing with crime, firefighting, pollution, transportation, and other urban policy problems. State highway departments, for example, do sometimes develop new ideas relevant to road-building, and state universities certainly are a source of a great deal of innovation. One might, however, point out that state government agencies as contrasted to state universities, have not been as innovative in developing new technologies as private contractors have been. That may reflect a lack of adequate incentives in state bureaucracies, but they are more likely to be innovative under a federal system than under a unitary system.

One of the main ways in which federalism encourages societal productivity is by the healthy competition among the states for attracting business firms and population. The competition is healthy when it is based on offering better governmental services. It is not so healthy in terms of societal benefits and costs if it is based on allowing business firms to operate with child labor, racially discriminatory practices, or unsafe working conditions. Those socially undesirable forms of competition, though, tend to be eliminated or lessened by federal legislation which provides more

uniform standards where they seem to be socially desirable. To a considerable extent, people move from one state to another for reasons of economic opportunities, educational opportunities, and climate/scenery. State governments can definitely influence educational opportunities by how much money they choose to allocate to schools. They can also influence economic opportunities by offering business firms legitimate tax breaks for locating in their respective states, especially where the business firm and the state have mutually beneficial interests. States can even influence the scenery factor by how much money they choose to devote to improving their recreational environment.

On the other hand, federalism can interfere with societal productivity by generating some wasteful duplicative effort and conflicting governmental regulations. The duplicative effort of maintaining 50 state governments may not involve very much incremental cost over the governmental presence that would otherwise have to be maintained if there were 50 or even 10 national government regions or sub-regions. More important, the costs of excessive duplication may be substantially less than the costs of not obtaining the opportunities for innovation that come from 50 heads rather than one. As for conflicting inter-state regulations, the Supreme Court attempts to deal with that by declaring them in violation of the free flow of interstate commerce. When business firms object to so-called conflicting state regulations, they are generally objecting to the idea of being subject to economic regulation, regardless whether it is uniform or non-uniform regulation.

B. SEPARATION OF POWERS

Just as 50 state governments plus one national government are likely to lead to innovative ideas than just one national government with or without 50 regional offices, so also is innovation likely to be increased by having executive and legislative branches of government that are independent of each other, with both separately seeking to appeal to voters. Separation of powers was originally defended as a conservative check-and-balance idea. It could also be defended as a way of

increasing innovation. However, requiring that new ideas be adopted by two branches of government and two legislative houses can delay the implementation of new ideas.

There is clearly a healthy competition between federal executive agencies and Congress in seeking to develop technically competent units that can evaluate and propose new policies for achieving given goals. Within the 1970s, four congressional agencies have greatly improved their competence in that regard, namely, the General Accounting Office, the Congressional Budget Office, the Office of Technology Assessment, and the Congressional Research Service. The competence of congressional staffs for doing policy analysis has also improved. On the executive side, more systematic policy evaluation is now being done by the Office of Management and Budget, the White House Domestic Staff, and specialized evaluation units within HUD, HHS, DOE, Labor, Defense, etc. Those developments are partly attributable to executive agencies taking the lead and Congress feeling the need to keep up by improving its own policy evaluation competence. If the chief executive were an extension of the legislature by way of being a parliamentary prime minister, there would be less likelihood of those developments, which are conducive to better governmental policies and societal productivity.

Many recent concrete examples can be given of the development of diverse ideas between Congress and the White House. For example, since 1965, there have been substantial differences between the branches of government concerning foreign policy in Viet Nam and an Latin America. There have been substantial differences on how to deal with energy problems, inflation/unemployment, and social welfare matters. That has been true when Congress and the President have been dominated by different political parties as in the Nixon and Ford administrations. It has also been true when the Democrats have controlled both branches of government, as in the Johnson and Carter administrations. It is also true in the Reagan administration, with the White House and the Senate under Republican control, and the House of Representatives under Democratic control. The key question is whether the productivity benefit of multiple sources of ideas outweighs the productivity detriment of

slowness in getting the new ideas adopted. The system in effect represents a compromise between innovation and stability with innovation especially coming in times of the domestic crises of a depression/recession or a period of upheaval in the demands of relatively worse off groups within society, as indicated by the innovative policy periods of the 1930s and the 1960s.[3]

C. TRENDS WITHIN TRENDS

Table 3 summarizes some of the trends in the roles of different levels and branches of government regarding the formation and implementation of public policy. The overall trend is toward increasing activity at all levels and branches of government for reasons mentioned in discussing the general public-private controversy. Within that overall trend the national government has especially increased its role largely as a result of the increased geographical broadness, complexity, and expensiveness of public policy problems. Also within the overall trend, the executive branch of government has especially increased, largely as a result of the need for speed, technical specialization, and a broader constituency.

Saying there has been an increase at the national level and in the executive branch may tend to over-simplify since the policy-making role of states, cities, legislatures, and courts has also increased. It is also an oversimplification because it does not adequately recognize that some public policy fields are very much in the domain of (1) the states, such as policies that relate to contracts, property, torts, and family law, (2) the cities or other local governments, such as zoning, sanitation, police, and schools, (3) the legislatures, such as taxing-spending policy, and (4) the courts, such as free speech, criminal justice, and equal protection under the law.

TABLE 3.

TRENDS IN THE ROLES OF LEVELS AND BRANCHES OF GOVERNMENT

LEVELS OR BRANCHES	TRENDS	ADVANTAGES
LEVEL		
National	Increasing, especially on unemployment-inflation, foreign-defense policy, & civil liberties.	Coordination & uniformity across states.
States	Increasing, but not as much with an emphasis on criminal justice, property rights, & family relations.	Coordinated across cities & counties, plus being closer to where programs are implemented.
Cities	Increasing, especially on zoning, sanitation, police, fire, & schools.	Closer to where programs are implemented.
BRANCHES		
Executive	Increasing, especially on foreign-defense policy & unemployment-inflation.	Speed, unity, & possibly decisiveness.
Legislative	Increasing, but not as much, with an emphasis on taxing-spending policy.	Debate & diversity of viewpoints.
Judicial	Plateauing after previous increases especially in civil liberties & liability.	Relative immunity from the pressures of re-election.

IV. INCENTIVES TO ENCOURAGE SOCIALLY DESIRED BEHAVIOR

Public policy has the potential for encouraging socially desired behavior by working through five different approaches that can be collectively referred to as an incentives approach to public policy. Those five approaches are:

1. Increasing the benefits of doing right.
2. Decreasing the costs of doing right.
3. Increasing the costs of doing wrong.
4. Decreasing the benefits of doing wrong.
5. Increasing the probability that the benefits and costs will occur.

That checklist logically leads to such questions as who are the doers and what benefits and costs are involved. The answers depend on the specific subject matters to which we now turn.

A. SOME EXAMPLES

Perhaps the most basic problem for a developing country or area is to encourage good government in the sense of competent, dedicated people and in the sense of stimulating innovative, useful ideas for dealing with social problems. Using the five-part checklist, public policy can encourage competency and diversity by such means as:

1. Increasing the compensation of meritorious government workers.
2. Decreasing the communication costs of people with innovative ideas by providing them with access to mass media.
3. Increasing the possibility of removal or demotion from government for those who do not satisfy competency standards.
4. Confiscating the gains of people in government who corruptly benefit from

wrongdoing.

5. Decreasing the risks of whistle blowers who report wrongdoing and providing bonuses for those who report rightdoing.

The realm of political science is sometimes divided into internal and external government problems. External or foreign policy tends to be dominated by problems of how to encourage peaceful interaction on the part of other countries especially neighboring countries. Relevant public policy incentives in that regard might include:

1. Increasing the benefits of mutual trade by developing agreements to benefit from each others specialties.
2. Decreasing the costs of mutual trade by lowering barriers in the form of tariffs, quotas, complicated customs arrangements, and other restrictions.
3. Increasing the cost of wrongdoing by developing internationally imposed penalties.
4. Decreasing the benefits of wrongdoing by emphasizing that aggressive interaction will result in the acquisition of nothing of value by virtue of policies that provide for destruction of oil wells and other resources if necessary.
5. Detection systems to determine that wrongdoing is occurring or is being prepared for.

At the macro-economics level, public policy is primarily concerned with decreasing unemployment and inflation, or increasing employment opportunities and price stability. Devices such as manipulation of the money supply or taxing-spending differences are not so meaningful if unemployment and inflation are increasing simultaneously. An economy can also become distorted by trying to order business firms not to justifiably raise prices or by trying to order unemployed workers into certain jobs. An incentives approach might include such devices as:

1. Tax incentives to business firms and labor unions for keeping prices and wages down. Also monetary incentives to employers to hire the unemployed and

monetary incentives to the unemployed to accept training and jobs.

2. Decreasing the costs of finding jobs and workers through better information systems.
3. Increasing the costs of violating price-wage guidelines and work incentives by withdrawing benefits and (in rare cases) by fines and other negative penalties.
4. Confiscating the benefits of price-wage violations by special taxes on the gains.
5. More accurate information on prices, wages, and unemployment in order to allocate the benefits and costs more effectively.

The problem of encouraging technological innovation is an especially important problem because technological innovation has large multiplier effects by virtue of its spillover into providing job opportunities, better products and work-places, less expensive housing, anti-pollution devices, and other high technology ways of dealing with social problems. Applying the checklist here might involve noting:

1. Government subsidies may be especially important for technological innovation because private capital may not be available in sufficient quantities and may not be so willing to wait for risky returns.
2. There are wasteful costs in re-inventing the wheel, which means public policy should strive to inform those who can benefit from new technologies as to what is available.
3. Penalties can be imposed upon firms that do not modernize such as automobile manufacturers or steel mills. The penalties can at least consist of not being provided with bail-out money or tariffs if they are threatened by more modern competition.
4. As for decreasing the benefits of doing wrong by not adopting new innovations, there are few benefits with the exception of not having to adapt or retool.
5. There is a need for more coordination in the allocation of subsidy benefits and

tax incentives for technological innovation which may necessitate having a coordinating agency like the Japanese Ministry for International Trade and Investment.

B. GENERAL ASPECTS OF INCENTIVES

The incentives approach to public policy should be supplemented by a structures approach whereby public policy is viewed as also providing social structures that encourage socially desired behavior. For example, one can decrease crime through the above-mentioned incentives which cause people to choose right from wrong when faced with a decision dilemma. It would, however, be better to structure social relations so that people are seldom faced with such decision dilemmas. Gun control is an example of such structuring. If gun control does effectively remove a large quantity of guns from circulation, then the likelihood is less that an individual will be faced with deciding whether or not to shoot someone. On a broader level of structuring, one might note that if people have been socialized into considering killing other people as a virtually unthinkable activity, then they will also seldom, if ever, face a decision dilemma of whether or not to kill someone. It would not enter their minds to even entertain the dilemma, let alone decide in favor of the wrongdoing position. One can also appropriately structure relations in dealing with other social problems, as well as crime.

The incentives approach to public policy is as applicable to a socialist government as to a capitalist government. The key difference is that under a socialist government, the incentives are generally directed toward government managers rather than private entrepreneurs. In the field of environmental protection for example, the Soviet Union is just as faced with how to get factory managers to adopt anti-pollution devices as the United States is. Under either system, factory managers have been traditionally rewarded in terms of the demand for their products and the lowness of their production costs. Adopting anti-pollution devices does not increase demand/income or reduce expenses. In fact, it increases expenses. Thus either

economic system requires public policy incentives to get relevant decision makers to operate contrary to the traditional reward system by adopting expensive anti-pollution equipment.

The incentives approach is applicable to developing areas in either developing or developed countries. The essence of the incentives approach is manipulating the benefits and costs of rightdoing and wrongdoing in order to encourage socially desired behavior. That includes the kinds of changes that are needed in order to desirably develop a developing area. The development of such areas may especially mean providing incentives for internal or external capital and innovators. It also generally or often means providing for good government, foreign policy, unemployment/inflation, economic regulation, crime control, ethnic relations, housing, environmental protection, and energy.

If public policy is important in providing these kinds of developmental incentives, then public policy studies is also important. Policy studies is largely the study of how to make public policy more effective and efficient. Thus the question of how can policy studies be useful to developing areas is closely related to questions of how can public policy be useful. One can perhaps conclude that policy studies can be most useful by further exploring the ways in which public policy can provide incentives for societal development and improvement. [4]

C. A BIGGER PACKAGE OF INCENTIVES

Table 4 summarizes some of the trends regarding incentives for encouraging socially desired behavior. One overall trend is an increasing reliance on rewarding the rightdoer, as contrasted to punishing the wrongdoer. The emphasis on rightdoing manifests itself more in decreasing the costs of rightdoing (such as tax deductions), rather than in increasing the benefits of rightdoing (such as reward subsidies), since tax deductions are more politically feasible. Within the concern for wrongdoers, there is an increasing emphasis on penalities other than traditional jail and fines, such as confiscating profits-property, reimbursement of victims, and pen-

TABLE 4. TRENDS IN INCENTIVES FOR ENCOURAGING SOCIALLY DESIRED BEHAVIOR

INCENTIVES	EXAMPLES	TRENDS	ADVANTAGES
Increase benefits of rightdoing	Reward subsidies	Increase	Can buy cooperation but expensive & politically unpopular.
Decrease costs of rightdoing	Tax deductions	Bigger increase	Buys less cooperation but politically more feasible.
Decrease benefits of wrongdoing	Confiscate profits	Increase but only in criminal activities	Could change behavior but difficult to apply.
Increase costs of wrongdoing	Big penalties	Increase	Penalties tend to be absorbed as an expense & hemmed in by due process.
Increase probability of benefits & costs occurring	Better monitoring & bounties	Increase through improved personnel	Essential for benefits & costs to be meaningful, but worthless if benefits are not substantial.
Socialization to make wrongdoing unthinkable	Street crimes among middle class people	Decrease in the importance of conscience	May require special upbringing.
Physical structuring to make wrongdoing difficult	Gun prohibition or control	Mild increase	Effective but may not be politically feasible.

alties by way of missed opportunities that might otherwise be meaningfully available.

The administration of incentives programs may be improving toward a higher probability of the benefits and costs occurring. On the other hand, the role of socialization to make various kinds of wrongdoing unthinkable has lessened with the decreased impact of the family and the school. There is a trend toward more physical structuring to make wrongoing difficult, such as better street lighting to discourage mugging and rapes, more areas within the control and responsibility of individual apartments, and more gun control to reduce the availability of lethal weapons. The biggest overall trend is the compositing of an increased variety of approaches for dealing with wrongdoing across all policy problems, including pollution, discrimination, business relations, and not just traditional criminal behavior.

V. METHODS OF EVALUATING ALTERNATIVE POLICIES

The key trend in methods for evaluating alternative policies is a movement toward multi-criteria decision-making and the use of microcomputer software for facilitating that kind of evaluation. The essence of multi-criteria decision-making is the processing of a set of goals to be achieved, alternatives available for achieving them, and relations between goals and alternatives in order to choose the best alternative, allocation, or predictive decision rule.

The key microcomputer software in this context is Policy/Goal Percentaging (abbreviated P/G%). It involves the analyzing of public policy problems by:

1. Listing available alternatives on the rows of a two-dimensional matrix.
2. Listing criteria for judging the alternatives on the columns of the matrix.
3. Inserting scores in the cells showing how each alternative relates to each criterion.
4. Transforming the scores if necessary to consider that the goals may be measured on different dimensions.
5. Aggregating the transformed scores across each alternative in order to arrive at a summation score for each alternative.
6. Drawing a conclusion as to which alternative or combination should be adopted.

The forms of traditional optimizing that the above analysis can supplement or improve upon include:

1. Payoff matrices, which show alternatives on the rows, contingent events on the columns, and payoffs in the cells from each alternative given the occurrence or non-occurrence of the contingent event.
2. Decision trees, which represent a combination of arrow diagrams and payoff matrices by showing a set of decision forks, probability forks, and other paths leading to a set of payoffs.
3. Optimum level curves, which show that too much or too little of a policy produces a hill-shaped or valley-shaped relation with benefits, costs, or benefits minus costs.
4. Indifference curves and functional curves, which are considered useful for allocating scarce resources.

There are a number of methodological problems involved in systematically evaluating alternative public policies. They include how to deal with (1) multiple dimensions on multiple goals, (2) multiple and possibly conflicting constraints, (3) multiple alternatives that are too many to determine the effects of each one, (4) complicated relations between goals and alternatives, (5) missing or imprecise information concerning such inputs as the weights of the goals or the relations between goals and alternatives, and (6) simplicity of analysis and presentation in spite of the

above multiplicity and complexity. On each of those six methodological problems there are trends away from traditional optimizing toward variations on multi-criteria decision-making, with P/G% as an illustrative example.

A. MULTIPLE DIMENSIONS ON MULTIPLE GOALS

The P/G% approach has a relatively distinct way of handling each of those problems which can be contrasted with traditional optimizing. Multi-dimensional criteria are handled by P/G% mainly by weighting the raw scores on different criteria in terms of the relative importance of the criteria and in light of the measurement units used. P/G% also handles multi-dimensional criteria by converting the raw scores into weighted part/whole percentages, which makes them into dimensionless numbers. That is especially useful when the criteria are abstract and measured on scales like 1-5 scales, rather than measured in concrete units like dollars, miles, years, pounds, etc.

Traditional optimizing, on the other hand, tends to deal with multi-dimensionality problem by working with a single objective function or a composite goal. Multi-objective programming and arrow diagrams are exceptions since they do preserve the separate goals. Working with a composite goal moves the multi-dimensionality problem back to a process that is separate from the optimizing process. That compositing process often emphasizes measuring all the subgoals in terms of dollars or some other common measurement unit, rather than preserving the distinctive measurement of each separate goal.

B. MULTIPLE CONSTRAINTS

Multiple constraints are handled by P/G% by optimizing without taking constraints into consideration, and then making adjustments if the optimizing solution does not satisfy all the constraints. Traditional optimizing tries to satisfy the constraints first and then to optimize within those constraints or to do both simultaneously. Under such a system one may satisfy equity constraints by giving to each person, group, or place whatever minimum they are entitled to. The sum of those minimums is then subtracted from the grand total available to be allocated. By

satisfying constraints before optimizing, the solution reached is likely to deviate more from the unconstrained optimum than by satisfying the constraints after optimizing. This is so because any person, group, or place that scores low on the criteria will receive minimum allocation plus a proportionate share of the residue of the grand total available to be allocated. Thus, any persons who would otherwise be entitled to only the bare equity minimums would unnecessarily receive more than the minimum, contrary to the optimizing criteria.

On the matter of conflicting constraints, the P/G% approach emphasizes handling such conflicts through a combination of prioritizing, compromising, and expanding the resources, alternatives, or criteria. Suppose there are minimum equity constraints which say Place 1 should receive $400 as a minimum, and Place 2 should receive $200. Suppose further that the total budget only provides for $500. Most traditional optimizing would deal with the above problem of conflicting constraints by reporting that the problem is unsolvable given those constraints. There is, for example, nothing inherent in decision theory, calculus optimizing, or mathematical programming as to how conflicting constraints are to be handled.

C. MULTIPLE ALTERNATIVES

Multiple alternatives may be so many that one cannot determine the effects of all of them. This is especially true in an allocation problem where the number of ways of allocating scarce monetary resources to three or more persons may be virtually astronomical. The P/G% approach handles such situations by converting the raw scores into part/whole percentages. Those part/whole percentages are used as allocation percentages to multiply against the grand total in order to determine the allocation for each person, group, or place.

Traditional optimizing is often not concerned with allocations matters because the alternatives are discrete, rather than continuous alternatives. By definition, a discrete or lump-sum alternative is either chosen or not chosen, whereas a continuum alternative allows for degrees. Where allocation or degrees are involved, traditional

optimizing tends to use a classical calculus optimization approach if one can obtain true derivatives or elasticity coefficients. In most policy evaluation problems, however, valid elasticity coefficients are virtually impossible to obtain due to reciprocal causation, spurious causation, interaction, and unsatisfactory data. As a result, P/C% uses part/whole percentages as proxies for elasticity coefficients. Traditional optimizing may also allocate via the reiterative guessing of mathematical programming. That approach may be unrealistic if it makes linear assumptions. Where non-linear programming is involved, the computer may get stuck in non-optimum solutions.

D. RELATIONS BETWEEN GOALS AND ALTERNATIVES

The P/C% approach tends to determine relations between alternatives and goals by relying on the perceptions of knowledgeable insiders. Traditional optimizing prefers statistical or behavioral data analysis on the theory that such analysis is less biased than asking interested persons. Statistical analysis, however, often has the serious defects of not being able to deal with reciprocal causation, spurious causation, and interactions, as mentioned above. A typical time-series, for example, may show a positive relation between anti-crime expenditures and crime occurrence, not because the expenditures cause crime, but because crime occurrence causes expenditures. Even if the statistical analysis can get the direction of the relations correct, one cannot trust the magnitude of the relations regardless how accurate the original raw data is.

The P/C% approach also tends to rely more on deduced relations than statistical relations. This enables one to evaluate alternatives before they are adopted. That is also generally true of payoff matrices, decision trees, and multi-objective programming, but not statistical curves for optimum level, indifference, or functional analysis. By deducing relations from known facts or reasonable premises, one thereby avoids such problems in empirical analysis as a lack of sufficient experimental or control group, and lack of sufficient before or after data. Pre-adoption deductive modeling also avoids the problem of policies being adopted to the unnecessary detri-

ment of people and the problem of bureaucratic inertia and newly vested interests interfering with changes if one has to rely on post-adoption evaluation.

E. MISSING INFORMATION

Missing information is often handled under the P/G% approach by changing the questions. Asking for the exact value of an input item can be changed to asking whether the input item is above or below a threshold value. Threshold values are at a point where a higher or lower score will affect the alternative that is considered best. Most people find it easier to deal with questions that ask, for example, whether a probability is more or less than .70, rather than ask what is a probability.

Traditional optimizing tends to deal with missing information by finding the information that is missing. That can be needlessly expensive, and it can paralyze decision-making. Sometimes missing or imprecise information is dealt with by eliminating cases or variables. That can result in research over-emphasizing variables that are easily measured, even though they may be relatively unimportant.

F. SIMPLICITY OF ANALYSIS AND PRESENTATION

On simplicity of drawing conclusions, that is promoted by having a user-friendly microcomputer program that requires virtually no technical knowledge in order to use the program, even though the program is based on principles of classical optimization. The P/G% program is like that, but that is not so with programs available for drawing conclusions in decision theory, calculus optimization, or mathematical programming.

On simplicity of presentation, the P/G% approach or the PG table presents results in terms of alternatives on the rows, criteria on the columns, and relations in the cells, with an aggregate total across each row. That approach is in conformity with Lotus 1-2-3 analysis which is the best selling software in the world. It is also in conformity with common sense as contrasted to the more difficult presentation formats in traditional optimizing.

G. CONCLUSIONS CONCERNING MULTI-CRITERIA DECISION-MAKING

In light of the above considerations, one can conclude that P/G% and related

MCDM analysis may have much to offer as supplements to traditional optimizing. MCDM approaches are relatively new compared to the more traditional methods. They are, however, catching on fast largely as a result of new microcomputer software. Programs with names like LightYear, Expert Choice, and PrefCalc are selling well and being widely used. P/G% is relatively new among the MCDM approaches.

In comparison to the other MCDM approaches, P/G% emphasizes:

1. Part/whole percentaging for dealing with multi-dimensionality, rather than forcing common measurement units on the goals.
2. Post-optimizing constraint adjustments, rather than trying to build into the program all possible constraint situations.
3. Part/whole percentaging allocations, rather than have a program that only deals with discrete or lump-sum alternatives.
4. Relations determined by the user's knowledge often on 1-5 attitude scales, rather than emphasize relations that provide for more complicated measurement which tend to leave out important relations.
5. Sensitivity analysis for dealing with missing information, rather than requiring that missing information be filled in.
6. Simplicity in drawing conclusions by way of the user-friendly P/G% program and simplicity in presenting results by way of the PG table.

It is important to emphasize that P/G% seeks to be simple in order to encourage use of the program and the results, but being simple does not mean being simplistic. Being simplistic refers to being simple by leaving out important considerations. That is contrary to the way in which P/G% and most other MCDM programs work. Along with their simplicity, they actually provide greater detail by (1) separating out the subgoals of the overall objective function, (2) allowing for more goals and alternatives, and (3) being explicit in stating constraints, relative weights of the goals, and the nature of the relations.

One might also emphasize that the P/G% and MCDM software are in a state of

rapid development, with new improvements being adopted as a result of new experiences. Microcomputer software does lend itself to experimentation and creative change, thereby stimulating further insights as to how the new software can be made even more valid, versatile, and user-friendly. Such software can thus become even more of a contribution to the development of better decision-making in government, law, business, and elsewhere.[5]

H. METHODOLOGICAL REVIEW

Table 5 summarizes some of the trends regarding methods of public policy evaluation. The key overall trend is toward new ideas that combine both simplicity and validity. There is a trend toward the use of microcomputer software which facilitates systematic trial-and-error experimentation. There is also a trend toward an expert systems perspective which seeks to develop methods by analyzing how good decision-makers implicitly decide, rather than trying to deduce how they should decide in light of unrealistic and/or unfeasible premises that relate to calculus optimization or mathematical programming.

More specific trends relate to how to deal with each of the six major obstacles to systematic evaluation mentioned in the methods column of Table 5. Those separate trends involve moving toward (1) multi-criteria decision-making, rather than single objective functions, (2) variations on breakeven analysis to determine critical values of missing information, rather than trying to devise expensive ways of not having missing information, (3) the use of percentaging methods to deal with allocation problems, (4) an expansionist philosophy to deal with conflicting constraints, (5) variations on if-then analysis for multiple prediction, and (6) spreadsheet analysis as the most popular decision-aiding software.

TABLE 5. TRENDS IN METHODS OF PUBLIC POLICY EVALUATION

METHODS	EXAMPLES	TRENDS	ADVANTAGES
Multiple dimensions on multiple goals.	Multi-criteria decision-making	Increase	Can deal with non-monetary benefits & monetary costs, & multiple goals.
Missing information	Breakeven analysis, best-worst scenarios, & graphics	Increase	Can deal with missing info without having to gather the info.
Allocation analysis	Part/whole percentaging	Increase	Avoids assumptions & measurement needs of OR/MS
Multiple & conflicting constraints	Prioritizing, compromising, or expanding the constraints.	Increase	The expanding approach encourages growth where everyone comes out ahead.
Multiple prediction	If-then analysis	Increase	Fits what good decision-makers actually do.
Simplicity	Spreadsheet analysis	Increase	Easy to manipulate including what-if analysis.

VI. THE DEVELOPMENT OF HIGHER GOALS

A. GENERAL ASPECTS

One of President Carter's mottos was, "Why not the best?" President Kennedy used to say when people would question his high goals that is was better to aim higher and only get half-way there than to aim not so high and get all the way there. Achieving the optimum is considered to be a high goal, although that partly depends on how the optimum is defined. The optimum may, however, not be high enough, or at least what is customarily considered to be the optimum.

The purpose here is to pursue that thought in the context of public policy problems, especially policy problems that are as fundamental as unemployment and inflation. If unemployment and inflation can both be reduced to close to 0%, then the economy almost by definition is in a state of high prosperity. Such prosperity leads to improvements in all other problems such as reduced poverty, discrimination, crime, and health problems. It can also have positive effects on conditions of consumers, farmers, labor, the environment, housing, and education, as well as civil liberties and international peace.

A society operating at the optimum or above it on various policy problems can thus be defined as a society which distributes benefits and costs in such a way to encourage socially desired behavior regarding optimum unemployment, inflation, crime, and other social problems, but which also does as much as possible to make undesirable behavior impossible and unthinkable.

Achievement brings both personal happiness and societal happiness, and achievement is encouraged by having high but realistically obtainable goals. No goals are too high so long as they are physically possible. Even what is physically possible may be subject to change. It is thus socially desirable for a society to be an optimizing society, or one that is seeking to achieve the optimum or the super-optimum on various social indicators. That is true with regard to public policies concerning unemployment, inflation, crime, world peace, free speech, poverty, discrimination,

health, environment, education, consumers, and government structures/procedures.

All policy problems are capable of being conceived as having a level of achievement that would traditionally be considered optimum. They also have a level of achievement that can be considered as doing better than the optimum. Table 6 summarizes some of the possibilities. The arrangement is roughly random order. It is difficult and unnecessary to try to arrange major policy problems in order of importance. One could offer something in favor of every problem being the most important problem. They are all essential to the smooth functioning of a society and to general societal happiness.

TABLE 6. SOME TRENDS IN SPECIFIC POLICY FIELDS

Policy Problem	An Optimum Society	A Better than Optimum Society
A. *Economic problems*		
Unemployment	Zero unemployment	That plus a higher percent of adults in the labor force and fully employed
Inflation	Zero inflation	That plus increased benefits for prices paid
Consumer	Zero fraud	That plus giving useful information
B. *Political problems*		
Word peace	Zero casualties	That plus world cooperation
Free speech	Zero interference	That plus providing a supportive atmosphere for innovative ideas
Government	Zero waste and corruption	That plus creativity, popular participation, equity, and due process
C. *Social problems*		
Crime	Zero crime	That plus zero civil wrongdoing and job wrongdoing
Poverty and discrimination	Zero poverty and discrimination	That plus productive job satisfaction
Education	Zero functional illiteracy	That plus rising to one's maximum, with broadness and inquisitiveness in education
D. *Science problems*		
Health	Zero non-aging diseases	That plus health robustness and greater longevity
Environment	Zero pollution	That plus reclamation and renewal

B. ECONOMIC PROBLEMS

On the subject of unemployment policy, the goal in the Reagan administration has been to at least avoid double-digit unemployment, meaning unemployment at 10% or greater. The goal of the Carter administration, as indicated in the Humphrey-Hawkins legislation, was to get unemployment below 6%. A goal of about 3% unemployment is often considered ideal in that anything less than 3% would mean that people are not sufficiently moving upward from one job to another. The problem of goals in this context is not the number, whether it be 10%, 6%, or 3%. The problem is the base to which the percent is applied. That base is frequently referred to as the labor force, which is generally defined as people who are actively looking for employment. That constitutes about 110 million people as of 1987. An expanded base which might bring the figure up to 200 million people would include the following:

1. All people over age 65 who would be interested in working if they could be provided with job opportunities that are appropriate to the skills which they often have, but which they are discouraged from using because (1) there is a lack of public policy stimuli encouraging employers to hire older people, and (2) public policy discourages older people from seeking jobs by decreasing or removing the social security that they would otherwise receive.
2. People with various kinds of disabilities who could also be provided with appropriate job opportunities.
3. Mothers of pre-school children who would be working if they not only had job opportunities, but also meaningful day care programs and no disincentive loss of various welfare benefits.
4. People who only have seasonal jobs, but who would like to have year-round jobs.
5. People who only have part-time jobs, but who would like to have full-time jobs.
6. People who have full-time jobs who would like to do some additional work.
7. People who have all the work quantitatively that they can handle, but the quality of what they do is substantially beneath their skills.

By adding those last few categories, one can say that the American population is about 95% unemployed or under-employed. The goal should not be to have low employment, but on a labor base that does not exclude about half or more of all the people and people-hours that could be included.

On the subject of inflation, the initial goal of the Reagan administration was to get inflation below double digits, meaning below 10%. One could argue that if 6% unemployment is a desirable goal, then so is 6% inflation on the theory that an increase in one is as bad as an increase in the other in accordance with the misery index put forth by Reagan in running against Carter. One could also argue that 3% inflation is a more desirable goal on a theory of symmetry with 3% unemployment. That implies a slight upward movement in prices and wages stimulates business development and worker productivity. The problem here is also not the number, whether it be 10%, 6%, or 3%. It is the base or formula that is used in calculating inflation percentages. The standard procedure is to only look to price changes, not to changes in the quantity or quality of what the consumer is receiving. It is quite possible in an increasingly productive society for a product to double in price, and yet for inflation to drop below zero on that product because the quality of what the consumer receives has more than doubled. For example, if a car selling for $3,000 almost doubles in price to $5,000, but now lasts 15 years when it formerly lasted 6 years, then the cost/benefit ratio has gone from $3/6 down to $5/15 or from 50% to 33%. That is a 17% drop in the cost/benefit ratio, which is roughly like saying that inflation has gone down below 0 to a -17%. This is instead of wrongly over-emphasizing that the price has gone up from $3 to $5, or up $2 on a base of $3 which would be an inflation rate of 67%. In other words, we should get our priorities straight, namely that getting prices down is less important than getting up the quality and quantity of what consumers receive. That is especially true since there is a lot more realistic room for increased quality and quantity than there is for substantial price decreases.

Consumer policy is closely related to inflation policy, just as labor policy is closely related to unemployment, poverty, and discrimination. Consumer policy though also illustrates well the distinction between traditional optimums which emphasize removing obvious wrongs, while neglecting the less obvious. The obvious wrongs tend to be sins of commission like consumer fraud, which involves active deception. The less obvious wrongs tend to be sins of omission or failures to take affirmative action, such as failing to supply consumers with useful information that could enable them to be more rational consumers.

C. POLITICAL PROBLEMS

Having world peace as measured by zero war casualties would be wonderful. That is true of the achievement level in the middle column labeled "An Optimum Society" for every policy problem in Table 6. If, however, there are two time periods and both have zero war casualties, the better time period would be the one that has more world cooperation. That includes cooperation regarding unemployment, inflation, crime, free speech, poverty, discrimination, health, environment, education, consumer policy, and government institutions. The specialized agencies of the United Nations strive to achieve those cooperation goals, such as the World Health Organization, the International Labor Organization, and the United Nations Economic, Social, and Cultural Organization.

The United States has a reasonably good record on not interfering with freedom of speech. The main exceptions are where another constitutional right is in conflict such as (1) due process in criminal proceedings requiring avoidance of prejudicial pretrial newspaper publicity, (2) equal treatment under the law requiring some restrictions on campaign expenditures, and (3) the right to privacy requiring restrained newspaper reporting on the private lives of non-public figures. One could measure the degree of free speech by looking to the number of people held in jail for activities that are critical of the government or other institutions. Getting a score of zero on such interference may, however, not be enough. A society deserves a higher

score on free speech if in addition to non-interference, it provides a supportive atmosphere for innovative ideas. That can include (1) requiring radio, TV, and other mass media to be willing to sell time to groups critical of society's institutions, (2) requiring the mass media to give free time to all major candidates if they give free time to any one candidate for office, and (3) making inexpensive cable TV time available to fringe groups who would otherwise not be able to buy time to communicate their ideas.

An important policy problem is the problem of improvements needed in the structures and procedures for policy formation and implementation. That can be considered a meta-problem since it cuts across all the specific problems, although so does free speech, education, unemployment, poverty, and still other problems. The Reagan administration has been conducting a strong campaign against waste and corruption in government. It would be fine if all waste, corruption, and other forms of inefficiency were eliminated. Again, however, that ignores the sins of ommission whereby the government operates wastefully and ineffectively because it is not encouraging creativity with regard to developing new ideas for dealing better with public policy problems. One could also say that if two societies are equally devoid of waste and corruption, the second society is the better one if it stimulates more popular participation in government activities, more equity/fairness in the distribution of benefits and costs, and more due process in enabling those who have been wrongly denied benefits or subjected to costs to be able to defend themselves with witnesses, cross-examination, and counsel.

D. SOCIAL PROBLEMS

On the subject of crime policy, the Reagan administration and most administrations seem happy with having no increase in major crimes from one year to the next. The idea of major decreases is considered almost unrealistic. In reality, however, one could make an argument for going beyond major decreases. The "beyond" does not mean somehow having negative crime, but rather like the unemployment

index, talking in terms of broadening the base on which the calculations are made. The base in this context means what is included as wrongdoing. The usual crime calculations involve adding various felonies like murder, robbery, and rape together and then dividing by the population of the city, state or nation to obtain crimes per capita or a specific crime per capita. This involves totally leaving out forms of wrongdoing that can be far more harmful than what is included. For example, all forms of negligent behavior that result in death, total disability, and great pain and suffering are not counted as part of a broader wrongdoing index if the defendant's behavior did not violate a criminal statute. This is true even though the behavior violates a statute or precedent relating to intentional torts, gross negligence, or other forms of civil liability. A broad wrongdoing index might also include on-the-job wrongdoing that does not qualify as grounds for imprisonment or damages, but does qualify as grounds for being fired. A horrible place to live might have no murders, but lots of killings through negligence or worker malfeasance that result in life-jeopardizing product defects. Likewise, a society might be a great place in which to live even if it has some murders and other felonies but virtually no negligence or worker malfeasance. There is a need for a more meaningful crime index or wrongdoing index that will consider more forms of wrongdoing, although not necessarily giving them all equal weight. As of now, many very serious forms of wrongdoing are given virtually no weight at all in our goal for reducing individual wrongdoing.

In the 1960s, there was talk about eliminating the poverty gap by spending 15 billion dollars to bring every poor family up to the line separating being poor from not being poor. That line was roughly figured at $4,000 a year for a family of four as of 1965. The price now is much higher. The important point though is that poverty means more than just being below an annual income level. If poor families were brought up to that level, they would be better off. If, however, they still have high unemployment, low education, and dead-end jobs, they are not likely to have the happiness

that goes with having middle-class employment opportunities. Thus going beyond the optimum of zero poverty means having an economy and education system whereby everyone can have access to a job that provides productive job satisfaction. In a super-ideal world, everyone would enjoy their productive jobs so much that they would continue at their jobs even if they were to become independently wealthy and would no longer need to work for the income.

Closely related to poverty is the policy problem of discrimination. In the 1960's, legislation was passed at the national, state, and local levels providing for fair employment, open housing, public accommodations, and other rights against discriminatory treatment. If there were 100% compliance, we would then have a form of zero discrimination. The absense of such racial and related discrimination in the housing field, for example, does not sufficiently help blacks if their incomes are so low that they cannot afford decent non-discriminatory housing. What is needed to make non-discrimination more meaningful is the economic ability and education to be able to take advantage of fair opportunities in employment, consumer rights, and other activities.

On the matter of goals for educational policy, the United States and most countries would be pleased to achieve 100% functional literacy or zero functional illiteracy. Literacy means being able to read and write at a bare minimum level. Functional literacy means being able to read and write sufficiently to be able to complete job applications and to carry on the reading and writing aspects of a normal job. A goal that is better than that optimum would be to have zero functional illiteracy and have everyone rise to their maximum educational achievement level. One could also seek to achieve higher quality standards in education. The standards might include the kind of broadness which is tested for in the National Educational Assessment Program. Educational quality could also include stimulating a high level of inquisitiveness, as contrasted to rote learning of facts and doctrines.

E. SCIENCE POLICY PROBLEMS

On the matter of health policy, a society might be considered operating at the optimum if governmental programs have succeeded in stimulating the development and distribution of cures and vaccines for all non-aging or non-degenerative diseases. Merely not having diseases is an excellent societal condition. It is even better though to have a society without diseases plus a high degree of robust health or wellness. That manifests itself in people being energetic and mentally healthy which may also involve productive job satisfaction. Also on the matter of health we may be reaching the point where there will be no need to tolerate even aging diseases like cancer, heart disease, and diabetes. The time may come when modern genetics will make it possible to change the genes of people not yet conceived so as to adjust their biological clocks. Doing so will mean growing to adulthood, but not into old age. People would still die as a result of accidents, although a super-optimum society would have a minimum of accidents as a form of civil wrongdoing. Many people now say they would not want to live indefinitely, but that is probably a sour-grapes attitute since living indefinitely is not currently available. People are probably no more likely to commit suicide at age 300 than they would be now at age 30.

As for environmental protection, one might consider conditions as being optimum if there were no pollution regarding air, water, solid waste, noise, radiation, or other forms of pollution. That would be fine. The absence of air pollution, however, might make urban and rural slums more visible. What is also needed is more reclamation and conservation of land that has been ruined or damaged from strip mining, erosion, overgrazing, and other forms of bad land use. What is also needed is more urban and rural renewal of buildings and other man-made structures, but in such a way as to minimize the disruption to the present occupants. [6]

F. PREDICTING AND PRESCRIBING FUTURE PUBLIC POLICY

Table 6 summarizes the ideas presented with regard to doing better than the optimum. It shows how that kind of thinking can apply to all policy problems including (1) economic problems like unemployment, inflation, and consumer rights, (2) political problems like world peace, free speech, and government reform, (3) social problems like crime, poverty, discrimination, and education, and (4) science policy problems like health policy and environmental policy.

Table 6 does not indicate what the trend is in defining goals for each policy problem. The implication, however, is that if one goal is better than another, there would eventually be a trend toward the better goal. "Better" in this sense brings us to a high level of generality such as the standard of the greatest happiness for the greatest number. There is a trend toward higher goals, although that varies depending on the policy field. Goals in civil liberties, education, and health are frequently being raised. Other fields may involve some reduction in goals in order to accommodate problems that have become more severe, such as the problems of pollution and drug-related crime.

Table 6 fits this article on "Projecting Trends in Public Policy", not so much because the table tells what will be, but because it implies what ought to be. One can make a case for saying that the world is getting better on many important dimensions. That is a key idea of Table 1 on some trends in specific policy fields. One can make a case even easier for the idea that the world should be getting better. Both optimists and pessimists are likely to agree that there is room for improvement. Optimists believe that the improvement can occur more readily than pessimists do. Table 6 could be interpreted from an optimistic perspective as at least a partial projection of future trends in public policy. Table 6 can be more easily interpreted from either perspective as a worthly agenda for the future of public policy. Either interpretation fits the title of this paper on "Projecting Trends in Public Policy", regard-

less whether the trends are predictive or normative trends.

It is hoped that this paper will stimulate further ideas about what will be and why. It is even more hoped that this paper will stimulate further ideas about what should be and how.

VII. THE FUTURE OF PUBLIC POLICY

Looking back over the Twentieth Century and especially over the past forty years from 1950 to 1990, one can observe various trends in public policy substance and the study of public policy.

A. GOALS TO BE ACHIEVED

There is a trend toward higher goals for society in economic, social, political, and science policy. This can be seen in the redefining of concepts like poverty, equality, fair procedure, free speech, good government, adequate education, adequate health, and a clean environment.

There have been major changes in almost all fields of public policy. Those changes have resulted in increased benefits for the less privileged groups in society, but also increased benefits simultaneously for the more privileged groups. In the field of labor policy and consumer policy, for example, there are now more rights to workers and consumers, but those rights have provided a stimulus to labor-saving technology and a stimulus to generating better products. Those effects have promoted greater productivity, sales, and profits.

B. MEANS FOR ACHIEVING POLICY GOALS

There is a trend toward the use of positive incentives like subsidies, tax breaks, and low-interest loans for encouraging socially desired behavior. This can be contrasted with an emphasis on negative incentives associated with jail, fines, and

injunctions.

There is a trend toward more policy-making on the part of the national government relative to the states and cities, and more policy-making on the part of the executive branch relative to the legislative and judicial. One should, however, note that policy-making is increasing among all levels and branches as governments are given more responsibility to deal with various social problems.

There is a trend toward a more pragmatic, mixed approach in dividing responsibility between the public and private sectors for public functions. This can be contrasted with a more ideological approach that allocates between the public and private sectors by determining what would be capitalistic or socialistic.

C. METHODS FOR ANALYZING ALTERNATIVE PUBLIC POLICIES

There is a trend toward evaluation methods which emphasize multi-criteria decision-making and spreadsheet analysis. This can be contrasted with an emphasis on single objective functions, decision trees, regression analysis, and linear programming.

D. INSTITUTIONS FOR CONDUCTING AND COMMUNICATING PUBLIC POLICY ANALYSIS

There has been a substantial growth and now a plateauing out at a high level of activity with regard to policy evaluation training programs, research centers, funding sources, publishing outlets, scholarly associations, and other policy evaluation institutions.

E. SOME OVERALL TRENDS

The post-1985 time period can be characterized as one in which (1) there are higher goals for public policy including the goal of satisfying both liberals and conservatives, (2) there are more positive incentives, more sources of ideas among government levels and branches, and more pragmatic relations between the public and private sectors for achieving those goals, and (3) there is a trend toward multi-criteria decision-making and spreadsheet analysis.[7]

TABLE 7. POLICY ANALYSIS INSTITUTIONS

I. TRAINING PROGRAMS
   1. John F. Kennedy School of Public Policy at Harvard University
   2. Woodrow Wilson School of Public Policy at Princeton University
   3. Graduate School of Public Policy at the University of California at Berkeley
   4. Institute of Policy Studies at the University of Michigan

II. RESEARCH CENTERS
   1. Brookings Institution, Washington, D.C.
   2. American Enterprise Institute, Washington, D.C.
   3. Government Accounting Office, Washington, D.C.
   4. Abt Associates, Cambridge, Massachusetts

III. FUNDING SOURCES
   1. Ford Foundation
   2. National Science Foundation
   3. Rockefeller Foundation
   4. National Institute of Justice

IV. PUBLISHING OUTLETS
   1. Policy Studies Journal and Policy Studies Review
   2. Journal of Public Policy Analysis and Management
   3. Policy Sciences
   4. Lexington-Heath Publishers

V. SCHOLARLY ASSOCIATIONS
   1. Policy Studies Organization
   2. Association for Public Policy Analysis and Management
   3. American Political Science Association
   4. American Society for Public Administration

For further details concerning the examples, see Nagel, The Policy Studies Handbook (Lexington-Heath, 1980).

TABLE 8. THE ELEMENTS OF POLICY ANALYSIS IN FOUR RECENT TIME PERIODS

	GOALS	MEANS	METHODS	INSTITUTIONS
Pre-1960	Good government	Describing policies	Journalism, hisory, and philosophy	The APSA and the APSR
1960-1975	Goals as being unscientific	Correlating policies	Statistical analysis	Behavioral and regional journals
1975-1985	Goals as variables	Feasible and interdisciplinary policies	Benefit-cost analysis	Policy journals and courses
Post-1985	Questioning goals	Incentives, multiple government foci, and pragmatism	MCDM spreadsheet analysis	Design science

VIII. POLICY STUDIES, FUTURES RESEARCH, AND SUPER-OPTIMUM SOLUTIONS

Studying trends in public policy is an especially appropriate subject for combining skills that relate to public policy studies and futures research. The field of policy studies is relevant to understanding the substance. The field of futures research is relevant to understanding the methodology of projecting trends.

The analysis that has been presented implies that trends in public policy proceed through a series of time periods that alternate between a push for greater societal productivity and then a push for greater equalitarian division of the results of the increased productivity. That may imply productivity proceeds equalitarianism, which is partly true. It is difficult to be equalitarian if societal resources are especially scarce as in times of recession, famine, or losing a war. On the other hand, equal opportunity is essential to fully realizing societal productivity. The productivity of many countries of the world has increased substantially in recent years as a result of providing greater job opportunities to women, ethnic minorities, the elderly, the disabled, and others who have been qualified for more productive jobs than they were previously in.

Another defect in the implications of the analysis is the idea that those alternating periods can continue indefinitely. That may be so regarding increased productivity. New technologies do generate other new technologies at an expanding rate rather than with diminishing returns. There may be diminishing returns or plateauing out in a given technology (such as automobiles), but not in a broad field (such as transportation) or in technology in general. On the other hand, equality of opportunity can eventually reach the point where there is almost no major discrimination against groups of people. We do seem to be approaching that desirable limit, while not approaching a technological saturation.

One result of the continuing concern for productivity growth and decreasing need for concern about non-merit discrimination is a changing of ideological divisions. The past divisions have mainly related to conservatives (who tend to emphasize the interests of those who are relatively well off in a society) versus

liberals (who tend to emphasize the interests of those who are not so relatively well off). The present and future divisions are increasingly related to (1) those who seek to expand the total societal product through industrial policy and supply-side economics versus (2) those who still think in terms of fixed pies, zero-sum games, and the idea that the main way to benefit the poor is to take from the rich.. The new expansionist philosophy emphasizes solutions to public policy problems that benefit categories of rich-poor, whites-blacks, males-females, urban-rural, north-south, and other groups that were formerly considered inherently in conflict over scarce resources.

Some policy analysts are even advocating and predicting the idea of super-optimum solutions where all sides in traditional policy conflicts can come out ahead of their original best expectations. An example is the American national debt. Traditional conservatives argue the need to cut domestic spending. Traditional liberals argue to need to cut defense spending. They may reluctantly compromise by cutting both and even by raising some taxes. The new expansionist thinkers look for ways to increase the gross national product so there can be increased revenue even with a constant tax rate and without cutting needed expenditures.

If there is going to be more emphasis on super-optimum solutions that can simultaneously achieve otherwise conflicting goals or tradeoffs, then we are in for an exciting future in the development of public policy substance and methods. It is trite to say that these are exciting times. It has not yet become trite to say that we may be entering into super-optimum times. That does not mean that the solutions reached will necessarily be super-optimum. It does mean that policy makers and policy analysts may be expanding their thinking away from tradeoffs and split-the-difference compromises toward thinking about ways in which we can have our expanded pie and eat it too. The future looks good for creative thinkers, systematic policy analysts, and insightful futures researchers.[8]

TABLE 4. THE GENERIC SOS SOLUTION FROM A SPREADSHEET PERSPECTIVE

4A. THE ALTERNATIVES

Alternative
1 CONSERVATIVE ALT.
2 COMPROMISE
3 LIBERAL ALT.
4 SOS1 (Dominating SOS)
5 SOS2 (Non-Dominating SOS)
6 SOS3 (New-Goal SOS)

4B. THE CRITERIA

Criterion	Meas. Unit	Conserv. Weights	Liberal Weights
1*CONSERVATIVE GOAL	1-5 Scale	3.00	1.00
2*LIBERAL GOAL		1.00	3.00
3 NEUTRAL GOAL		2.00	2.00

4C. SCORES OF ALTERNATIVES ON CRITERIA

	CONS.GOAL	LIB.GOAL	NEUT.GOAL
CONSERVATIVE ALT.	5.00	1.00	3.00
COMPROMISE	3.10	3.10	3.00
LIBERAL ALT.	1.00	5.00	3.00
SOS1	5.10	5.10	3.10
SOS2	4.50	4.50	2.90
SOS3	4.00	4.00	4.00

4D. INITIAL ANALYSES

Alternative	Conserv. Combined Rawscores	Liberal Combined Rawscores
1 CONSERVATIVE ALT.	16.00	8.00
2 COMPROMISE	12.40	12.40
3 LIBERAL ALT.	8.00	16.00
4 SOS1	20.40	20.40
5 SOS2	18.00	18.00
6 SOS3	16.00	16.00

NOTES TO THE ALTERNATIVES:

1. The conservative alternative is shown first because it tends to be the current alternative on which we would like to improve. The conservative alternative or set of alternatives in a policy problem tends to differ from the liberal alternatives in the relative extent to which it favors those who are relatively well off in a society, whereas the liberal alternative tends to favor those who are not so relatively well off.

2. The first super-optimum solution (and the most difficult to achieve) is to find an alternative that is better than the conservative, liberal, and compromise alternatives on <u>all</u> the goals. The second super-optimum solution is an alternative that is not better on all the goals than the other alternatives, but it is better on the overall or combined score adding across the goals. The third super-optimum solution is not better on all the goals and is not better on the

overall score with the initial goals, but it is better on the overall score than the non-SOS alternatives when another goal is added.

NOTES TO THE CRITERIA:

3. The conservative goal or goals in this context are by definition goals that conservatives disproportionately favor, as indicated by the fact that those goals are given relatively high weight by conservatives. The liberal goals are likewise given relatively high weight by liberals. Note however that in a typical policy problem, conservatives tend to give positive weight to liberal goals (although relatively less weight than to conservative goals), and vice versa with liberals.

4. The scores of the alternatives on the criteria are based on a 1-5 scale for the sake of simplicity, although that does not have to be. Under a 1-5 scale, 5 means highly conducive to the goal, 4 means mildly conducive, 3 means neither conducive nor adverse, 2 means mildly adverse, and 1 means the alternative is highly adverse to the goal.

NOTES TO THE RELATION SCORES:

5. The conservative alternatives logically score high on the conservative goals and low on the liberal goals, and vice versa for the liberal alternatives. The compromise alternative scores slightly above the middle on each goal. That avoids ties in this analysis, and that is the general nature of compromises.

6. The scores of the super-optimum solutions on the conservative, liberal, and neutral goals are consistent with their definitions. Likewise the scores of the alternatives on the neutral goal are consistent with the definition of the neutral goal as being between the conservative goal and the liberal goal in its normative direction.

NOTES TO THE INITIAL ANALYSES:

7. The combined raw scores are determined by adding the weighted relation scores together. For example, the conservative alternative receives 16 points using the conservative weights by adding (3 times 5) to (1 times 1). Using the liberal weights, the conservative alternative receives only 8 points by adding (1 times 5) to (3 times 1). For the sake of simplicity in this generic analysis, only the conservative goal and the liberal goal are used. The neutral goal has to be activated to enable the "New Goal SOS" to be a super-optimum solution.

8. Using the conservative weights, the conservative alternative logically comes out ahead of the liberal alternative, and vice versa using the liberal weights. The compromise alternative is the winner among those three alternatives with an aggregate score of 24.80 versus 24.00 for either the conservative or the liberal alternative, but the compromise alternative is only the second choice of both groups.

9. The three super-optimum alternatives all do better than the traditional compromise. What is more important, the three super-optimum alternatives all simultaneously do better than the conservative alternative using the conservative weights and they do better than the liberal alternative using the liberal weights. That is the essential characteristics of a super-optimum alternative. It is the <u>new</u> first choice of both groups.

10. Even the worst of the three super-optimum solutions comes out so far ahead

of the traditional compromise that the only way the traditional compromise could be a winner is (1) if one or more of the goals were to be given a negative weight, or (2) if one or more of the relation scores were to go above 5, below 1, or otherwise be unreasonable.

FOOTNOTES

1. For further details on the recent history of developments in the fields of public policy, see Theodore J. Lowi and Alan Stone (eds.), Nationalizing Government: Public Policies in America (Sage, 1978); John Schwarz, America's Hidden Success: A Reassessment of Public Policy from Kennedy to Reagan (Norton, 1988); Robert Bremmer, et al. (eds.), American Choices: Social Dilemmas and Public Policy since 1960 (Ohio State University Press, 1986); and David Rothman and Stanton Wheeler (eds.), Social History and Social Policy (Academic Press, 1981).

2. For further details on trends in the division of labor between the public and private sectors, see Martin Rein and Lee Rainwater (eds.), Public/Private Interplay in Social Protection: A Comparative Study (M. E. Sharpe, 1986); David Linowes (ed.), Privatization: Toward More Effective Government (Government Printing Office, 1988); and Dennis Thompson (ed.), The Private Exercise of Public Functions (Associated Faculty Press, 1985).

3. For further details on trends in the division of labor among levels and branches of government, see James Sundquist, Constitutional Reform and Effective Government (Brookings Institution, 1985); David Walker, Toward a Functioning Federalism (Winthrop, 1981); and Michael Reagan and John Sanzone, The New Federalism (Oxford University Press, 1981).

4. For further details on trends regarding incentives to encourage socially desired behavior, see Barry Mitnick, The Political Economy of Regulation: Creating, Designing, and Removing Regulatory Forms (Columbia University Press, 1980); William Hamilton, Larry Ledebur, and Deborah Matz, Industrial Incentives: Public Promotion of Private Enterprise (Aslan Press, 1984); and Alfred Blumstein (ed.), Deterrence and Incapacitation (National Academy of Sciences, 1978).

5. For further details on trends regarding methods of public policy evaluation, one can compare relevant books from the 50s, 60s, 70s, and so on, such as Daniel Lerner and Harold Lasswell (eds.), The Policy Sciences (Stanford University Press,

1951); Raymond Bauer and Kenneth Gergen (eds.), The Study of Policy Formation (Free Press, 1968); Irving Horowitz and James Katz, Social Science and Public Policy in the United States (Praeger, 1975); Nick Smith (ed.), New Techniques for Evaluation (Sage, 1981); and S. Nagel, Evaluation Analysis with Microcomputers (JAI Press, 1988).

6. For further details on trends regarding the development of higher goals for America and elsewhere, one can compare relevant books from the 60s, 70s, and 80s such as Henry Wriston, (ed.), Goals for Americans: The Report of the President's Commission on National Goals (American Assembly, Prentice Hall, 1960); Kermit Gordon (ed.), Agenda for the Nation (Brookings, Doubleday, 1968); Henry Owen and Charles Schultze (eds.), Setting National Priorities: The Next Ten Years (Brookings, 1976); and Isabel Sawhill (ed.), Challenge to Leadership: Economic and Social Issues for the Next Decade (Urban Institute, 1988).

7. For further details on relations between policy studies and futures research, see Albert Somit, Political Science and the Study of the Future (Dryden, 1974); Franklin Tugwell, Public Policy and the Study of the Future (Winthrop, 1973); Wayne Boucher (ed.), The Study of the Future: An Agenda for Research (National Science Foundation, 1977); Edward Cornish, The Study of the Future: An Introduction to the Arts and Science of Understanding and Shaping Tomorrow's World (World Future Society, 1977); and S. Nagel, "Policy Studies and Futures Research," 14 World Future Society Bulletin 1-10 (1980).

8. For literature on super-optimum solutions, see Lawrence Susskind and Jeffrey Cruikshank, Breaking the Impasse: Consensual Approaches to Resolving Disputes (Basic Books, 1987); S. Nagel, Higher Goals for America: Doing Better than the Best (University Press of American, 1989); and S. Nagel, Evaluation Analysis with Microcomputers (JAI Press, 1989).